



**CITY OF LODI  
COUNCIL COMMUNICATION**

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**AGENDA TITLE:** Adopt Resolution Amending the 2007-2011 Memorandum of Understanding between the City of Lodi and the Lodi Police Mid-Management Organization Relating to Opt-Out Provision for Medical Benefits and Approving Said Provision for Confidential Employees

**MEETING DATE:** November 5, 2008

**SUBMITTED BY:** Human Resources Manager

**RECOMMENDED ACTION:** As previously directed by the City Council, this action is to Adopt a Resolution Amending Memorandum of Understanding between the City of Lodi and the Lodi Police Mid-Management Organization (LPMO) Relating to Opt-Out provision for Medical Benefits and Approving said Provision for Confidential Employees.

**BACKGROUND INFORMATION:** At present, the Police Officers Association of Lodi has a provision in its Memorandum of Understanding (MOU) that allows the police officers to "opt-out" of the City's medical coverage program and to receive monies into their deferred compensation account equal to one-half of the medical insurance premium. This provision results in significant savings to the City. For example, a police officer with a family selects Blue Shield HMO as their medical provider, the cost to the City \$1,281 per month. If he/she "opt-out" of medical coverage, this MOU provision would reduce the City's monthly cost from \$1,385 per month to \$692 per month (or half the cost of the medical insurance).

In order to provide fairness among sworn police officers, Police Mid-Management is requesting to adopt the MOU provision currently in the Police Officers Association of Lodi into the Lodi Police Mid-Management Organization (this language is currently included in the Lodi Professional Firefighters and the Lodi Fire Mid-Management MOUs as well). That language is as follows:

Effective December 1, 2008, if an employee elects not to be covered by medical insurance through the City of Lodi, an additional \$692.81 per month for family or \$532.92 for employee + 1 dependent will be added to the employee's deferred compensation account to equal one-half of the medical insurance premium that would have been paid by the City of Lodi. This dollar amount shall not increase during the term of this MOU.

This action is also requested to be offered to Confidential employees, who are not represented by a bargaining association.

APPROVED:  Blair King, City Manager

**FISCAL IMPACT**

Adoption of this resolution would result in an annual savings of \$47,508.

**FUNDING AVAILABLE:**

n/a

Respectfully submitted,

  
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Dean Gualco, Human Resources Manager

Attachments

RESOLUTION NO. 2008-209

A RESOLUTION OF THE LODI CITY COUNCIL  
AMENDING THE MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF LODI AND LODI POLICE  
MID-MANAGEMENT ORGANIZATION RELATING TO  
OPT-OUT PROVISION FOR MEDICAL BENEFITS  
AND APPROVING SAID PROVISION FOR  
CONFIDENTIAL EMPLOYEES

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve an amendment to the Lodi Police Mid-Management Memorandum of Understanding and Confidential Employees replacing current practice of the opt-out provision for medical benefits to the language as follows:

Effective December 1, 2008, if an employee elects not to be covered by medical insurance through the City of Lodi, an additional \$692.81 per month for family or \$532.92 for employee + 1 dependent will be added to the employee's deferred compensation account (equal to one-half of the medical insurance premium that would have been paid by the City of Lodi). This dollar amount shall not increase during the term of this MOU.

Date: November 5, 2008

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I hereby certify that Resolution No. 2008-209 was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 5, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Hansen, Johnson, Katzakian,  
and Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk